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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/869,929	07/05/2001	David B. Learner	LNR-1-PCT	1557

20311 7590 02/28/2005

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EXAMINER	
JANVIER, JEAN D	

ART UNIT	PAPER NUMBER
3622	

DATE MAILED: 02/28/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/869,929	LEARNER ET AL.	
	Examiner	Art Unit	
	Jean D Janvier	3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☐ Responsive to communication(s) filed on _____.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-3,5-13,15,17,18 and 22* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-3,5-13,15,17,18 and 22* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 01/21/2005 has been entered and a Non-Final Office Action follows.

Response To Applicant's Amendments

The Examiner approves the new title of the invention.

Response To Applicant's Arguments

Applicant's arguments with respect to the claimed invention (amended claim1) have been considered but are moot in view of the new ground(s) of rejection. Further, Applicant's arguments are based on the new amendments and are fully addressed in the above Office Action.

DETAILED ACTION

Specification

Status of the claims

Claims 1-3, 5-13, 15, 17, 18 and 22 are now pending in the Instant Application.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a

"useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson,* 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

> The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.,* the court found that the

"mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statuto+ry. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

Claim 1 is rejected under 35 U.S.C. 101 because the claimed invention is directed to a non-statutory subject matter. Here, the steps as recited in the claim pertain to a manual process and therefore, the claims do not fall within the technological art. Although the claim recites "issuing a vehicle for multiple discounts, wherein the vehicle can be read by a POS", however,

the term **vehicle** can also include **a printed coupon, having a bar code imprinted thereon, which be read by a POS system. In other words, the use of the vehicle, as disclosed in the claim, does not automatically imply using a device, such as a value card or smart card.** Thus, the claim does not explicitly incorporate any hardware or device. To this end, **in order to overcome this rejection, a** relevant device or hardware, such as a computer system, a database, a data communication, computer network, the Internet, a value card, a smart card and so and so forth should be used to implement the steps or process recited in at least claim 1.

Claim Objections

Claim 1 is objected to because of the following informalities:

Concerning claim 1, although the claim recites the steps of "issuing a vehicle for multiple discounts, a retail establishment reading said vehicle and crediting said high volume customer retail with said discount ", nevertheless, the claim never expressly discloses **loading or storing** the multiple discounts in the vehicle memory before the customer can receive a credit when the vehicle is read at the retail establishment, as the claim seems to suggest (see claim 2).

Furthermore, concerning claim 1, lines 14 and 15, "crediting said high volume retail customer with said discount..." should apparently be -- crediting said high volume retail customer with said discounts...--.

Concerning claims 6, 8, 10 and 13,"retail customer" or "selected retail consumer" should apparently be --high volume retail customer--.

Still concerning claim 1, lines 9 and 10, "said supplier sending said vehicle to said high volume retail customer" is interpreted as --said supplier sending or providing a plurality of coupons to a valuable customer or a customer whose purchase transaction shows a tendency for the supplier's products-- or --said supplier sending or providing in conjunction with a service provider a coupon card 1 to a valuable customer--.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-3, 5-12 and 15, 17, 18 and 22 are rejected under 35 U.S.C. 102(b) as being anticipated by Fajkowski, WO 98/19229.

As per claim 1, Fajkowski discloses a system for providing a coupon card or value card, from a coupon card issuer, containing one or more coupons or multiple coupons on a single product or service to a customer, who uses the coupon card for redeeming one or more stored coupons during a transaction at a POS or retail establishment, wherein, upon inserting the customer's unique coupon card 1 into the retail establishment periphery device 100 and detecting the presence of at least one stored coupon associated with a product in the customer's order (when a product UPC code stored on the coupon card matches a product UPC code in the

customer's order), a price reduction is applied to the customer's transaction and the retail establishment is subsequently credited or reimbursed for honoring or redeeming the at least one coupon retrieved from the customer's coupon card 1 (See abstract; page 4: 24 to page 9: 7).

Moreover, Fajkowski discloses a system wherein during a transaction process, the periphery device 100 indicates if there is a manufacturer instant rebate for any product currently in the customer's order. In the affirmative, the system or rebate system allows the customer to instantly receive credit for the rebate, while quickly and efficiently supplying the manufacturer with both the **demographic data** and stimulation power the rebate is intended to provide in the first place, wherein the demographic data are used to further measure the effectiveness of the system and to further distribute rebates to the identified user or customer of the coupon card 1 (page 22: 21-24; page 27: 14-31). Additionally, Fajkowski discloses a system, wherein a coupon card service provider, such as a clearinghouse or a third party, **working in conjunction with a manufacturer or product supplier distributes the coupon cards** and coupons to the individual customers on behalf of the manufacturer or product supplier, **thereby relieving the manufacturer or supplier from the mundane tasks of distributing the coupon cards and coupons to the registered customers, while concentrating on developing more effective promotional programs using the customers' transaction data.** Before a customer can receive a coupon card 1 from the coupon card service provider, the customer must initially register with the coupon card service provider by providing, among other things, his demographic information, which helps identify the registered customer utilizing an associated identification or a PIN number at a participating POS during a redemption process. While not shown in FIG. 4a, the coupon card 1 could also be equipped with a "Move" key. If the coupon card user or

customer changes his residence, he may press the "Move" key and coupon card 1 will prompt him to enter (using the numeric keys 31 and "Letters" key 37) his new address and telephone number or demographic parameters. The next time coupon card 1 is inserted into a periphery device 100 or POS, the user's new address and telephone number will be transmitted to the coupon card service provider through the server 200 (The coupon card service provider distributes coupon cards to customers who supply demographic information or based on the customers' demographic profile- P. 8: 33 to P. 9: 7; P. 11: 10-33; P. 13: 17-30; P. 17: 31 to P. 18: 3; P. 25: 1-2; P. 39: 26 to P. 40: 7; P. 43: 9-12).

Another component of the system will be a clearinghouse 300, which will receive information on redeemed coupons from the servers of all the retailers participating in the system. The clearinghouse will then use this information from the servers 200 to generate reports for each manufacturer regarding the amounts for which each retailer is entitled as reimbursement. The clearinghouse will also act as a remote database transferring information to the servers for the use and benefit of retailers, manufacturers and consumers alike. **For example, the information for manufacturers' future coupons will be supplied to the clearinghouse** and this information is distributed to the servers coupled to the POSes. Similarly, coupon information for regional store chains could be supplied to the clearinghouse for distribution to the individual stores of that region. All of this information is intended for eventual loading onto a consumer's coupon card through the servers and periphery devices 100. Since each coupon card 1 will have an identification number associated with its user and the clearinghouse is receiving from the periphery devices 100 (through the servers 200) **detailed information of the user's purchases, the clearinghouse will be able to compile a detailed database on the purchasing habits**

(behavior or pattern) **of all users of the coupon cards 1. From this database, precise marketing profiles and reports can be provided to manufacturers and other parties seeking to gain information for marketing purposes and this information is used to present targeted incentives to the customers or users of the coupon cards 1 in accordance with their transaction profile.**

In general, the system is configured to identify individual users of the coupon card with the purchases they make. Because periphery device 100 identifies the coupon card 1 being inserted with the person to whom the coupon card 1 is registered and because all items entered into cash register 150 will be read by periphery device 100, **data indicating the purchases made** by each individual using coupon card 1 may be sent to and collected by clearinghouse 300. The compilation of the names of consumers and what they buy into a comprehensive database will allow detailed **consumer micromarketing data** (CMD) to be organized and distributed to **manufacturers** and retailers across the geographical area covered by the coupon redemption system. The system targets specific consumers for specific products those consumers may have a tendency to purchase **(consumers regularly use some specific products or the consumers are high volume users of some specific products). For example, this data could supply manufacturers with information on the identity of their customers using the manufacturers' products so that manufacturers could take further marketing steps to insure these customers' continued loyalty.** Alternatively, a manufacturer could receive information on which consumers are buying a competitor's products so that a manufacturer could attempt to induce those consumers to switch to his product. The CMD could also identify what consumers are sensitive to particular types of promotions. For example, a manufacturer of a new

product promoted as being environmentally safe could secure a list of individuals who typically buy environmentally safe products. Because of the speed and accuracy with which CMD may be compiled, it can help manufacturers determine how a particular promotion is being received by the public and allow the manufacturer to respond appropriately. It will be understood that CMD could be organized in practically an infinite number of ways to produce customized reports, which would help manufacturers and retailers target specific customers for advertising campaigns and promotions.

(P. 32: 11 to P. 33:6).

As per claims 2, 3, 5-7, 8-10, 11, 12, 15, 17, 18 and 22, Fajkowski discloses a system for providing a coupon card or value card, from a coupon card issuer, containing one or more coupons or multiple coupons on a single product or service to a customer, who uses the coupon card for redeeming one or more stored coupons during a transaction at a POS or retail establishment, wherein, upon inserting the customer's unique coupon card 1 into the retail establishment periphery device 100 and detecting the presence of at least one stored coupon associated with a product in the customer's order (when a product UPC code stored on the coupon card matches a product UPC code in the customer's order), a price reduction is applied to the customer's transaction and the retail establishment is subsequently credited or reimbursed for honoring or redeeming the at least one coupon retrieved from the customer's coupon card 1 (See abstract; page 4: 24 to page 9: 7).

Further, the coupon card 1 may include a customer's identification number, which allows the provider of the coupon card and/or manufacturer (supplier) to uniquely identify each

individual user to whom a coupon card 1 is registered, thereby enabling purchase habits or behavior of each individual user to be extracted from collected sale data associated with each user and used by the supplier or manufacturer in further marketing analysis in order to prepare targeted coupon packages for the each individual user, wherein the targeted coupon packages are transmitted to each individual coupon card 1, to offer real-time rebates to a user or to increase/ decrease a coupon value of a coupon already stored on an identified coupon card 1 in reaction to the user's response to a current promotion. Indeed, a clearinghouse 300 receives from a plurality of different periphery devices 100, linked to servers 200, related to different stores transaction data associated with the users identified by the coupon cards 1 and compiles a detailed database of the purchasing habits or behavior of all users of coupon cards 1. From this database, precise marketing profiles and reports can be provided to the manufacturer or supplier and used to generate customized coupon packages by the manufacturer or supplier for the benefit of the individual users of the coupon cards 1. Coupon data directed to a particular user of a coupon card 1 are transmitted from the manufacturer or supplier to the clearinghouse 300 to be uploaded by a periphery device 100, linked to the clearinghouse 300 via server 200, to the coupon card 1 during a transaction or redemption process at a retail establishment involving the identified coupon card 1 (See abstract; page 4: 24 to page 9: 7; page 19: 27 to page 20: 8; page 32: 11 to page 33: 6).

In addition, the coupon card 1 can store more than one coupon redeemable on a single product. During a redemption process, if more than one coupon from the coupon card 1 is applicable to a single item purchased, a subroutine will be executed, wherein a message is displayed to the bearer or user of the coupon card 1 notifying him of the presence of a multiple coupons redeemable on a single item present in his order and prompt him to select which coupon

he wants to redeem on the product at this time. In other words, when more than one coupons are applicable to a single product, one coupon is selected by the user and redeemed during the current shopping trip, while the additional coupons will be redeemed in the future (the coupons are valid at space apart time interval-page 22: 31 to page 23: 6; page 26: 31 to page 27: 14; page 34: 33 to page 35: 27).

Furthermore, Redemption data are transferred to the coupon card 1 by periphery device 100 during a redemption process at the retail establishment (page 28: 26-28). During a transaction process, the periphery device 100 indicates if there is a manufacturer instant rebate for any product currently in the customer's order. In the affirmative, the system or rebate system allows the customer to instantly receive credit for the rebate, while quickly and efficiently supplying the manufacturer with both the demographic data and stimulation power the rebate is intended to provide in the first place, wherein the demographic data are used to further measure the effectiveness of the system and to further distribute rebates to the identified user or customer of the coupon card 1 (page 22: 21-24; page 27: 14-31).

Another component of the system will be a clearinghouse 300, which will receive information on redeemed coupons from the servers of all the retailers participating in the system. The clearinghouse will then use this information from the servers 200 to generate reports for each manufacturer regarding the amounts for which each retailer is entitled as reimbursement. The clearinghouse will also act as a remote database transferring information to the servers for the use and benefit of retailers, manufacturers and consumers alike. **For example, the information for manufacturers' future coupons will be supplied to the clearinghouse** and this information is distributed to the servers coupled to the POSes. Similarly, coupon information

for regional store chains could be supplied to the clearinghouse for distribution to the individual stores of that region. All of this information is intended for eventual loading onto a consumer's coupon card through the servers and periphery devices 100. Since each coupon card 1 will have an identification number associated with its user and the clearinghouse is receiving from the periphery devices 100 (through the servers 200) **detailed information of the user's purchases, the clearinghouse will be able to compile a detailed database on the purchasing habits** (behavior or pattern) **of all users of the coupon cards 1. From this database, precise marketing profiles and reports can be provided to manufacturers and other parties seeking to gain information for marketing purposes and this information is used to present targeted incentives to the customers or users of the coupon cards 1 in accordance with their transaction profile.**

In general, the system is configured to identify individual users of the coupon card with the purchases they make. Because periphery device 100 identifies the coupon card 1 being inserted with the person to whom the coupon card 1 is registered and because all items entered into cash register 150 will be read by periphery device 100, **data indicating the purchases made** by each individual using coupon card 1 may be sent to and collected by clearinghouse 300. The compilation of the names of consumers and what they buy into a comprehensive database will allow detailed **consumer micromarketing data** (CMD) to be organized and distributed to **manufacturers** and retailers across the geographical area covered by the coupon redemption system. The system targets specific consumers for specific products those consumers may have a tendency to purchase **(consumers regularly use some specific products or the consumers are high volume users of some specific products). For example,**

this data could supply manufacturers with information on the identity of their customers using the manufacturers' products so that manufacturers could take further marketing steps to insure these customers' continued loyalty. Alternatively, a manufacturer could receive information on which consumers are buying a competitor's products so that a manufacturer could attempt to induce those consumers to switch to his product. The CMD could also identify what consumers are sensitive to particular types of promotions. For example, a manufacturer of a new product promoted as being environmentally safe could secure a list of individuals who typically buy environmentally safe products. Because of the speed and accuracy with which CMD may be compiled, it can help manufacturers determine how a particular promotion is being received by the public and allow the manufacturer to respond appropriately. It will be understood that CMD could be organized in practically an infinite number of ways to produce customized reports, which would help manufacturers and retailers target specific customers for advertising campaigns and promotions.

(P. 32: 11 to P. 33: 6).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claim 13 is rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski, WO 98/19229 in view of Powell, US Patent 5, 887, 271.

As per claim 13, Fajkowski discloses a system wherein during a transaction process, the periphery device 100 indicates if there is a manufacturer instant rebate for any product currently in the customer's order. In the affirmative, the system or rebate system allows the customer to instantly receive credit for the rebate, while quickly and efficiently supplying the manufacturer with both the **demographic data** and stimulation power the rebate is intended to provide in the first place, wherein the demographic data are used to further measure the effectiveness of the system and to further distribute rebates to the identified user or customer of the coupon card 1 (page 22: 21-24; page 27: 14-31). Additionally, Fajkowski discloses a system, wherein a coupon card service provider, such as a clearinghouse or a third party, **working in conjunction with a manufacturer or product supplier distributes the coupon cards** and coupons to the individual customers on behalf of the manufacturer or product supplier, **thereby relieving the manufacturer or supplier from the mundane tasks of distributing the coupon cards and coupons to the registered customers, while concentrating on developing more effective promotional programs using the customers' transaction data.** Before a customer can receive a coupon card 1 from the coupon card service provider, the customer must initially register with the coupon card service provider by providing, among other things, his demographic information, which helps identify the registered customer utilizing an associated identification or a PIN number at a participating POS during a redemption process. While not shown in FIG. 4a, the coupon card 1 could also be equipped with a "Move" key. If the coupon card user or

customer changes his residence, he may press the "Move" key and coupon card 1 will prompt him to enter (using the numeric keys 31 and "Letters" key 37) his new address and telephone number or demographic parameters. The next time coupon card 1 is inserted into a periphery device 100 or POS, the user's new address and telephone number will be transmitted to the coupon card service provider through the server 200 (The coupon card service provider distributes coupon cards to customers who supply demographic information or based on the customers' demographic profile- P. 8: 33 to P. 9: 7; P. 11: 10-33; P. 13: 17-30; P. 17: 31 to P. 18: 3; P. 25: 1-2; P. 39: 26 to P. 40: 7; P. 43: 9-12).

Here, although Fajkowski discloses providing to a customer by a service provider, working on behalf or in conjunction with a manufacturer or supplier, a coupon card 1 containing a plurality of coupons wherein at least two coupons from the particular manufacturer or supplier are redeemable on a particular product from the manufacturer or supplier and sold by a retailer (said supplier issuing a vehicle for multiple discounts....), wherein the customer's transaction data and **demographic information** are used to present future targeted coupons or rebates to the customer, however, Fajkowski does not explicitly teach a system, wherein the manufacturer or supplier sends the coupon card 1 to the high volume retail or valuable customer **based on the customer's demographic data**.

However, Powell discloses a system for providing a shopper's card or smart card, having encoded thereon coupon information, to a customer, wherein a customer 230 originally obtained

customer card 235 from a bank (a supplier who does not directly sell products to the customer), by completing an application for the bank, wherein the application contained questions to collect from the customer demographic data, including birth date, income level, past buying patterns, geographic location, size of family, level of education, and job-related data and wherein the bank subsequently wrote customer identification data for customer 230 onto customer card 235, and issued customer card 235 to the customer 230, who will use the card to upload coupon data remotely transmitted from a retailer's system to the customer's PC or at the retailer's in-store kiosk (col. 6: 49 to col. 7: 7).

Moreover, it is common practice in the art to send or provide value cards or shoppers' cards to targeted customers, as a vehicle to participate in an incentive distribution system, in accordance with the customers' demographic profile including geographical location such that customers, having the value cards and living in a targeted geographical location proximate to a local store, will receive products coupons redeemable at the local store, wherein the value cards are operable to store data and wherein the customers' transaction data including redeemed coupon data are provided to the parties of interest (manufacturers, retailers...) and used in marketing analysis to further develop future targeted incentives for the targeted customers (Public disclosure- See enclosed articles).

Therefore, an ordinary skilled artisan would have been motivated at the time of the invention to combine the above disclosures with the Fajkowski's system so as to provide or to send, by a manufacturer or a third party working in conjunction with the manufacturer or supplier, a value card or coupon card 1 to a targeted customer, living in a geographical location

of interest, in accordance with the customer's demographic data or profile, wherein the value card or coupon card 1 enables the customer to participate in an incentive distribution program and to receive manufacturer's or supplier's coupons and the manufacturer to collect valuable data corresponding to the identified customer's transaction data including redeemed coupon information used in further marketing analysis to develop more customized coupon packages targeted at the identified customer, thereby allowing the manufacturer to screen or profile a customer using the customer's demographic data such as the customer's home address, having the same zip code as a local store where the coupons can be redeemed, before sending or providing the value card or coupon card 1 at no charge to the customer in an effort to encourage participation in the incentive distribution program, while making sure that the customer receiving the value card or coupon card 1 is more likely to redeem the received coupons at a local store located near his home and while rendering the distribution system more cost effective by targeting customers who are more likely interested in the program.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

"Checking Out The Customer", a Washington Post article written by Lena H. Sun, discloses a system for providing shoppers' cards or value cards to targeted customers for participating in an incentive distribution program, wherein the customers' transaction data are used in further marketing analysis to develop more customized coupon packages targeted at the identified customers.

"A New Dimension In Marketing", an article by Ronald Tanner in the Progressive Grocer, discloses a system for providing shoppers' cards or value cards to targeted customers for participating in an incentive distribution program, wherein the customers' transaction data are used in further marketing analysis to develop more customized coupon packages targeted at the identified customers.

US Patent 5, 380 991 to Valencia discloses a system for allowing a customer to obtain the benefits of reduced prices for certain items without the necessity of redeeming paper coupons. In fact, the manufacturer's coupons are electronically provided to the customer or shopper via a smart card having encoded in its memory a plurality of discount coupons redeemable on a plurality of products. Furthermore, the smart card stores information or sale data on products that have been purchased by the shopper (purchase behavior or purchase history). The coupons stored on the smart card are redeemed in a conventional manner at a retailer's POS and information, sale data and discount coupon data, stored on the smart card is updated accordingly (See abstract).

Any inquiry concerning this communication from the Examiner should be directed to Jean D. Janvier, whose telephone number is (703) 308-6287). The aforementioned can normally be reached Monday-Thursday from 10:00AM to 6:00 PM EST. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's Supervisor, Mr. Eric W. Stamber, can be reached at (703) 305- 8469.

For information on the status of your case, please call the help desk at (703) 308-1113. Further, the following fax numbers can be used, if need be, by the Applicant(s):

After Final- 703-872-9327

Before Final -703-872-9326

Non-Official Draft- 703-746-7240

Customer Service- 703-872-9325

JDJ
02/19/05

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Patent Examiner

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